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ABSTRACT

In May 1991, the Florida Legislature directed the State Board of Community Colleges to develop a method to equalize the base funding of community colleges, including an appropriate cost differential equation. As a result, an allocation process of legislative appropriations was developed which supported the relative priorities of each college from the budget request, enabling each college to project its funding at any level of appropriations. For example, the 1995-96 Legislative Budget Request contains the following: (1) an urgent call for access, equity, and excellence; (2) indicators of the value of community college, such as figures on student diversity and achievement, range of academic programs, emphasis on instruction, community and economic development projects, and accessible and functional campuses; (3) information on the fiscal losses that have affected the state's community colleges since 1989-90; (4) an overview of the consequences of steady or declining state appropriations; and (5) a rationale for the 1995-96 budget request, which seeks, over the next 2 years, a state allocation of \$4,020 per student, which will restore the 5-year 16% loss in state support. Priority One of the 1995-96 budget request is the base Community College Program Fund Support, which includes the operating cost of new facilities, competitive salary enhancements, money for educational equipment and library resources, an enrollment workload, and equalization funding. Equalization is defined as equivalent funding revenues per full-time equivalent student calibrated for the following college characteristics: program mix and costs, college size, and cost of living in the district. (KP)

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FLORIDA COMMUNITY COLLEGE SYSTEM

"E PLURIBUS UNUM" - CREATING UNITY THROUGH THE BUDGET REQUEST PROCESS



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FEBRUARY 28, 1995

"E PLURIBUS UNUM" -

CREATING UNITY THROUGH THE BUDGET REQUEST PROCESS

SUMMARY OF PRESENTATION

In May, 1991, the Florida Legislature directed the State Board of Community Colleges to develop a methodology to equalize the base funding of community colleges which would include an appropriate cost differential calculation. The Board was further directed to include this methodology in the Legislative Budget Request.

This directive had the potential to exacerbate the divisiveness of 28 community colleges in establishing priorities for funding. At that time, the Legislature would hear 28 different views on the funding priorities of the system.

Clark Maxwell, Executive Director of the SBCC, responded to this challenge with visionary leadership. Utilizing the structure and talent with the Presidents Council, a Funding Task Force was created to assist SBCC in meeting this legislative directive. The process resulted in multiple studies through 1991 to 1994 which were reflected in the budget requests for the Community College Program Fund. The process involved briefings with local boards of trustees across the state.

The efforts of this project resulted in a significant change to the development of the annual budget request. An allocation process of legislative appropriations was

developed which supported the relative priorities of each college from the budget request. This process is a reality check which recognizes that available appropriations may not be sufficient to fund the budget requests. The allocation process which was developed was simple to understand and enabled each college to project its funding at any level of appropriations.

This new process was unanimously adopted by the Presidents Council. Each college now could focus on making the entire pie bigger rather than the size of its individual slice. The college presidents, lobbyists and other college supporters now work in unified support of the annual Legislative Budget Requests.

The development of a similar process could have significant impact on other state community college systems. Utilizing this methodology for generating the systemwide budget request and allocating the appropriation provide an opportunity to create collective support at the state level while recognizing local needs.

THE CASE FOR COMMUNITY COLLEGE INVESTMENT

Access, Equity and Excellence

The community colleges of Florida are at a crossroad. One path will lead to colleges with incredible diversity among the students, accomplished faculties dedicated to teaching and learning, an array of academic offerings -- many of them unique and often highly ranked -- and facilities that are attractive although crowded by increasing enrollments. The other path will lead to colleges with students concerned that critical courses will not be taught by resident instructors due to insufficient full-time faculty positions, student computer laboratories with outdated hardware unable to run current software, instructors anxiously wondering how their salaries eroded to less than counterparts in public schools, and harried administrators desperately searching for yet one more cost-saving initiative or reduction in expense. The funding choices made by the state legislature can direct which road the community college system follows.

The 1995-96 Legislative Budget Request of the State Board of Community Colleges is an urgent call for a commitment to **ACCESS** and **EQUITY** for the nearly 1,000,000 students the community college system serves and **EXCELLENCE** in education among its institutions. Indeed, the coming year will be a turning point for the community colleges of Florida. While targeted reductions and cost-saving initiatives have enabled the colleges to manage and absorb increased enrollments thus far, there is now no room left to maneuver without undermining the qualities that have made the colleges distinctive. Decisions made by the legislature will determine which pathway for the community colleges will triumph; the one of historic pride and continuing accomplishments, or the one of decreasing morale and waning abilities to accomplish their missions.

The 1995-96 Legislative Budget Request of the State Board of Community Colleges is an urgent call for a commitment to ACCESS and EQUITY for the nearly 1,000,000 students the community college system serves and EXCELLENCE in education among its institutions.

After a half century of success in responding to new populations and the changing socio-economic needs of the state, the community colleges are now poised for two new challenges in their changing context; that of serving the expanding and increasingly diverse populations of the future and that of providing job training needs for the emerging global economy. However, *if the current funding structure persists, the community colleges must inevitably curtail enrollments and program offerings in order to continue the qualities of excellence that produce value to the state and to the citizens of Florida.*

Measuring the Value of Community Colleges

Among the nearly two thousand community colleges throughout the country, most established after the mid-point of the century, the 28 colleges in Florida are distinguished as innovative contributors to successful educational practices and hold a reputation for being among the best.

Among the nearly two thousand community colleges throughout the country, most established after the mid-point of the century, the 28 colleges in Florida are distinguished as innovative contributors to successful educational practices and hold a reputation for being among the best. In Florida, they are the primary entry point in postsecondary education for the majority of the state's population. In workforce preparation they are essential to the state's economic future--due in no small part to Florida's historic investment in the community college system. An exceptional record of performance is evident in the following inventory of assets and accomplishments:

1 The magnitude and diversity of the students

- Community colleges enroll approximately 810,000 students which is four times the number enrolled in the state university system.
- Nearly 30% of Florida's community colleges students represent minority populations.
- The average age of students is nearly 30 years.
- The proportion of women enrolled in community colleges is 59%.
- The majority of full-time Florida community college students are independent.
- Nearly 78% of Florida's community college students are employed while enrolled.

2 Significant student achievement and success

- Community college transfers constitute approximately 62% of the students in the upper division of the state university system; these students perform as well academically as university students who entered the university as freshmen.
- Over 80% of the students completing vocational/technical degrees or certificates are placed in jobs.

3 A broad range of academic programs which prepare students for careers and university transfer

- Community colleges offer a total of 234 programs of study as well as liberal arts and general education curricula.
- Florida's community colleges provide the programs which lead to employment in 9 of the top 10 growth occupations in the State of Florida.

4 An emphasis on instruction

- The proportion of the operating budget allocated directly to instruction and academic support is 71%.
- The total number of full-time faculty at the state's twenty-eight community colleges is 4,685.
- The proportion of faculty members holding a masters or higher degree in their field is 90%.
- The proportion of community college faculty members holding doctoral degrees is 21%.
- Faculty in community colleges teach a minimum of 15 credit hours of courses each week.

5 Valuable community and economic development projects

- All community colleges sponsor business development programs and offer workforce training and retraining courses.
- All colleges sponsor training programs for governmental agencies and employees.
- All colleges operate fine and/or performing arts centers, two colleges sponsor public radio stations, and four colleges operate educational television stations.
- State appropriations to community colleges generate \$2.64 billion of the state's overall business volume.

6 Accessible and functional campuses

- Community colleges oversee 141 campuses and centers.
- Community colleges are located within commuting distance of 99% of the residents of the state.

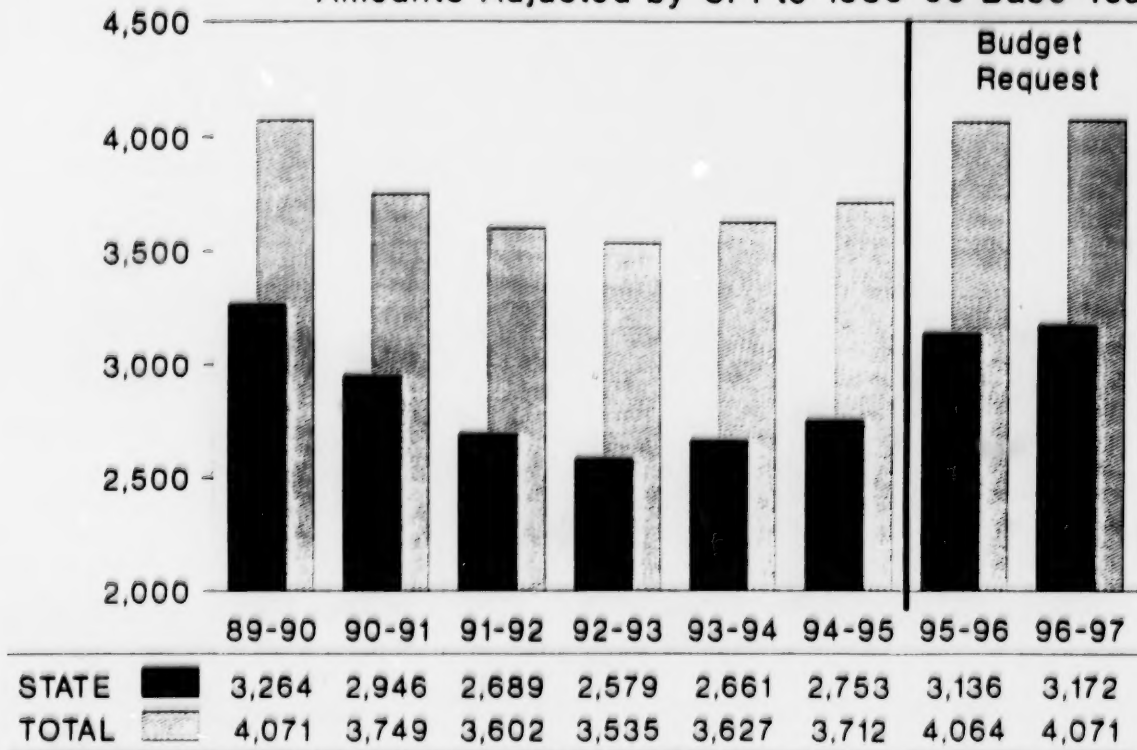
Assessing the Losses of Community Colleges

The gravity of the situation for community college education in Florida can be clearly demonstrated by reviewing a balance sheet. An assessment of current assets (values) and liabilities (losses), when projected into the future, leads one to the conclusion that the balance sheet is encumbered with deficits (liabilities).

The losses of the community college system are essentially fiscal. The financial position of the system reveals a condition of such magnitude that other limitations in the system are attributable primarily to the fiscal issue. The last year in which state appropriations, including general revenue and lottery revenue, matched student growth and inflation was 1989-90, five years ago. The specific liabilities that have accumulated over these five years and now threaten an otherwise productive and resourceful system of community colleges are illustrated by the below diagram. Numerical information is provided in *Appendix A Community Colleges Funding History*.

FLORIDA COMMUNITY COLLEGE SYSTEM AID TO COLLEGES

Amounts Adjusted by CPI to 1989-90 Base Year



State Funds Include General Revenue and Lottery
Total Funds Include State Funds and Student Fees

NOVEMBER 7, 1994

1 Erosion of the operating budget over the past five years-1989-90 to 1994-95

- State general revenue appropriations on a per student basis have dropped from \$2,816 to \$2,550, a decline of 9.5% in funding.
- When lottery dollars are added to general revenue dollars, state appropriations per student have increased from \$3,264 to \$3,272, which is a 16% actual reduction when adjusted for inflation.
- With the inclusion of increased student fees, the total funding available to community colleges has only increased 6%, a decline of 11% when adjusted for inflation.
- State general revenue appropriations for the community college system have risen only 4% despite an overall growth in state revenues of 37%; the proportion of state general revenue allocated to community colleges has dropped from 5% to 4%.
- Community college appropriations per comparative FTE student are now 46% below the appropriations for university students enrolled at the lower division level.
- State appropriations per credit student in Florida's community colleges are only 75% of the national average appropriation.
- Uncontrollable costs have absorbed an increased proportion of operating budgets, including retirement system costs, employee benefit costs, Americans With Disabilities Act costs, and data collection and reporting costs mandated by the state and federal government.

2 Detrimental disparities in faculty salaries

- The average faculty salary level in community colleges has declined to approximately 89% of the national average, threatening the ability of the colleges to attract and sustain a competitive teaching faculty.

3 Reduced services for students over the past three years

- Community colleges have increased their reliance on part-time faculty members who have other careers, which indicates that expenditures for adjunct faculty have increased by 16%. A survey in 1992 revealed that the proportion of student credit hours taught by full-time faculty dropped from 70% in 1990 to 66% in 1992. These part-time faculty are qualified and dedicated; however, full-time resident faculty are essential to an institution.
- Community college expenditures for student support services have been reduced from \$419 to \$409 per student, a 2% reduction.

4 Restricted learning resources for students over the past three years

- The expenditure of funds for library books and film acquisitions has dropped from \$20 to \$16 per student, a 20% reduction.
- The allocation of funds for replacement and acquisition of instructional equipment and furnishings, including computer hardware and software has only marginally increased from \$72 to \$76 per student, which is substantially less than the investment needed to maintain, let alone enhance technology.

5 Reduced and deferred maintenance of facilities over the past three years

- Expenditures for plant operations and maintenance have been reduced from \$5.16 to \$4.97 per square foot, a 4% decline, delaying needed repairs and improvements.

Future Consequences Without a Reinvestment Budget

State revenues are projected to increase at a rate of seven to ten percent per year, however, the community college proportion, if the current trend continues, will diminish and the state allocation per FTE student will stagnate or decline further. If this trend is not reversed and reinvestment is not approved, the state's community colleges will be hard-pressed to sustain enrollments and services will deteriorate severely.

Consequence #1: Limiting enrollment

- Community colleges will be unable to meet enrollment demands. According to a recent study conducted by the College Board, Florida is projected to have the largest increase of high school graduates in the south and south central region between 1992 and 2009, an astonishing 73%! However, if the current rate of fiscal growth continues, the colleges will only be able to enroll a portion of these students.
- Community colleges will necessarily contribute less to workforce development and sustained economic growth. The economy of the State of Florida is expected to grow by 2 million jobs, of which 700,000 will be health and business careers; however, community colleges will not be able to provide enough graduates to meet the economy's demand.

Consequence #2: Dilution of educational quality

- Class size will be increased and instructor-student contact diminished.
- Workloads of full-time faculty will increase with less remuneration.
- The proportion of classes taught by full-time faculty will decrease.

Consequence #3: Erosion of academic and student support services

- The outreach and support that has led to successful enrollment of minority, disadvantaged and disabled students will be difficult to sustain, although their populations are expected to increase significantly.
- Provisions for academic counseling, advisement, and student activities will be limited.

Consequence #4: Decay of infrastructure

- Spending for libraries and equipment replacement will be reduced.
- Spending for facilities maintenance will be reduced.
- Spending for campus security will be reduced.

This assessment of the Florida Community College System balance sheet suggests disturbing deficits now and in the future with adverse effects on institutional resources and detrimental consequences for student access and workforce development. Six years ago, community college education received support from the state at a level commensurate with the growth of enrollment and inflation. Beginning five years ago, state support began to gradually

Beginning five years ago, state support began to gradually wane to the point that the current appropriation is insufficient to support enrollments and program quality.

wane to the point that the current appropriation is insufficient to support enrollments and program quality. In fiscal terminology, this condition amounts to a **serious devaluation of the commitment to a community college education** in the State of Florida.

The *Case for Reinvestment* clearly reveals the value of community colleges not in the terms of the self-interest of one institution but in terms of the social and economic interest and well-being of the people of Florida.

As the 1995-96 year approaches, the question raised by the state's posture towards community college funding remains. Is the state abandoning its commitment to community college education and the quality of life of students and citizens served by the community colleges? The *Case for Reinvestment* clearly reveals the value of community colleges not in the terms of the self-interest of one institution but in terms of the social and economic interest and well-being of the people of Florida. Indeed, funding the 1995-96 community college budget request will be viewed as an investment with value and an investment which yields important returns to all citizens.

Investing in the Future of Community Colleges

The 1995-96 budget request transcends the "business as usual" approach and is predicated upon restoration of the state's investment in community college education. The budget request is \$762.2 million of which \$122.3 million is a 19.1% increase over the previous year. This translates into a state allocation of \$3,708 per FTE student which will partially restore the community colleges to the level of funding in 1989-90. In that year, the combined appropriation of general revenue funding and lottery funding began a five-year decline, which even the growth in lottery allocations (originally intended to supplement general revenues) and increases in student fees failed to offset. Over the next two years, the community colleges seek a state allocation of \$4,020 per student, which will restore the five-year 16% loss in state support. (see *Appendix A: Community Colleges Funding History*). The restoration of state support, including general revenue and lottery funding, coupled with stabilized student revenues, represents a major re-investment in community college education that will sustain basic operations, enhance educational quality, and meet specific categorical priorities of the state.

Over the next two years, the community colleges seek a state allocation of \$4,020 per student, which will restore the five-year 16% loss in state support.

The State Board of Community Colleges has taken two steps in the past year to lay the groundwork for this budget. First, the Board has identified through the statewide master planning process the extraordinary demographic and economic challenges anticipated in the next half decade which dictate the goals and strategies for the state's community colleges. Second, the Board, utilizing several task forces, has fostered a statewide accountability assessment process designed to monitor and report the actual progress and performance outcomes of the community college system on a year by year basis.

*With a system that is now more goal-oriented and accountable than ever before, the proposed 1995-96 budget for the state's community colleges is an investment in valuable purposes and verifiable results. Succinctly, the purposes are continued access, equity, and excellence. The results will raise the educational levels and workforce preparation for a major segment of the population and benefit the social and economic welfare of the state as a whole.

Four budget objectives are priorities for 1995-96. Two are related to Basic Community College Program Fund Support and two are related to Categorical Programs. As presented below, these objectives embrace the budget line items and explain the rationale for the requested items.

* An excerpt of the *1993 Statewide Master Plan* is included in Appendix B.

08-Nov-94

STATE BOARD OF COMMUNITY COLLEGES
LEGISLATIVE BUDGET REQUEST 1995-96
AID TO COLLEGES-BY APPROPRIATION CATEGORY

	1994-95 LEGISLATIVE APPROP.	1994-95 NONRECURR. APPROP.	1994-95 RECURRING BASE	SBCC 1995-96 REQUEST	CHANGE FROM 1994-95 APPROP.	CHANGE FROM 1994-95 BASE
COMMUNITY COLLEGE PROGRAM FUND	\$622,485,281	(\$4,132,430)	\$618,352,851	\$722,989,883	\$100,504,602	\$104,637,032
CATEGORICAL PROGRAMS						
Academic Improvement Trust Fund	\$5,500,000	(\$2,750,000)	\$2,750,000	\$8,081,000	\$2,581,000	\$5,331,000
Health Care Quality Enhance. Chall. Grants	1,600,000	(800,000)	800,000	1,600,000	0	800,000
Military-Related Economic Development	459,289	0	459,289	1,800,000	1,340,711	1,340,711
Disabled Student Learning Aids	1,880,867	(998,700)	882,167	2,656,867	776,000	1,774,700
Equipment & Library Resources	5,429,471	(5,429,471)	0	0	(5,429,471)	0
Martin Luther King Center for Non-violence	300,000	(100,000)	200,000	0	(300,000)	(200,000)
Performance Based Incentive Program	2,000,000	0	2,000,000	2,500,000	500,000	500,000
Miami-Dade Book Fair	100,000	(100,000)	0	0	(100,000)	0
Child Care Pilot Project	157,154	0	157,154	0	(157,154)	(157,154)
Capitalization Incentive Program	0	0	0	5,000,000	5,000,000	5,000,000
Community College Instructional Technology	0	0	0	11,635,000	11,635,000	11,635,000
Gender Equity In Athletics	0	0	0	4,645,653	4,645,653	4,645,653
Child Care Funding Program	0	0	0	1,290,156	1,290,156	1,290,156
TOTAL CATEGORICALS	\$17,426,781	(\$10,178,171)	\$7,248,610	\$39,208,676	\$21,781,895	\$31,960,066
TOTAL STATE FUNDS	\$639,912,062	(\$14,310,601)	\$625,601,461	\$762,198,559	\$122,286,497	\$136,597,098

FLORIDA COMMUNITY COLLEGE SYSTEM

DESCRIPTION OF ALLOCATION PROCESS 1995-96 COMMUNITY COLLEGE PROGRAM FUND APPROPRIATIONS

The allocation process described herein is the result of substantial work and analysis by the Council of Presidents in developing the 1995-96 Legislative Budget Request. The Council approved a methodology to allocate the state appropriation which supports the priorities and issues in the budget request. The State Board of Community Colleges embraced this allocation process and has made it a vital component of the budget request.

Priority One of the 1995-96 budget request is the base Community College Program Fund Support. This priority contains the following components:

- (1) Operating Cost of New Facilities
- (2) Competitive Salary Enhancement
- (3) Educational Equipment and Library Resources
- (4) Enrollment Workload
- (5) Equalization Funding

A total of the issues is calculated for each community college. This information is displayed on **Exhibit I**.

Accepting the reality that legislative appropriations may be insufficient to fund this request, this process is a mechanism which maintains the priorities and policies established through the development of the budget request. This is accomplished by prorating available funding based on the budget request.

The first issue which has been designated to be funded is the operating costs of new facilities. By subtracting this amount from the total of state funds requested, a subtotal reflecting the remainder of the request is derived. Each college's share of this total is calculated to determine a budget request entitlement index per college. This index reflects the relative composite of the issues in the budget request excluding operating costs of new facilities.

Thus, only two numbers are needed to calculate the allocation of the Community College Program Fund to each college. The entitlement index and the amount of facilities operating costs are these two factors. **Exhibit II** displays the example of a \$50 million appropriation allocated based on this process.

This process provides a simple, understandable process for allocating appropriation levels which differ from the budget request. The development of the budget request becomes the principle mechanism to determine each college's share of the resultant appropriation.

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**COMMUNITY COLLEGE PROGRAM FUND
1995-96 LEGISLATIVE BUDGET REQUEST**

BASIC SUPPORT OF THE COMMUNITY COLLEGE PROGRAM FUND

COLLEGE	OPERATING COST OF NEW FACILITIES	COMPETITIVE SALARY ENHANCEMENT	EQUIPMENT & LIBRARY RESOURCES	EQUALIZATION FUND	ENROLLMENT WORKLOAD	CHANGE IN STANDARD FEE REVENUES	BASIC SUPPORT STATE FUNDS INCREASE REQUESTED
BREVARD	213,824	1,176,991	825,463	0	0	0	2,216,278
BROWARD	603,355	2,086,722	1,051,427	2,175,157	362,612	(114,750)	6,164,523
CENTRAL FLORIDA	117,046	483,409	271,674	113,967	1,298,646	(220,306)	2,064,436
CHIPOLA	10,756	321,556	168,778	0	0	0	501,090
DAYTONA BEACH	429,396	1,279,961	449,599	2,119,703	493,836	(95,960)	4,676,534
EDISON	390,186	626,930	419,266	1,331,990	174,441	(22,053)	2,920,758
FLORIDA CC @ JAX	634,511	2,351,207	1,142,250	1,383,727	1,276,658	(219,766)	6,568,587
FLORIDA KEYS	31,694	180,445	132,284	203,639	0	0	548,062
GULF COAST	75,413	506,230	396,136	910,350	106,300	(27,701)	1,966,727
HILLSBOROUGH	599,004	1,567,059	435,754	2,188,920	0	0	4,790,736
INDIAN RIVER	111,607	929,877	597,234	2,384,939	1,619,299	34,268	5,677,223
LAKE CITY	49,232	357,463	196,133	0	16,483	40,904	660,215
LAKE SUMTER	5,866	218,108	205,066	35,179	0	0	464,219
MANATEE	65,421	679,052	266,196	367,571	0	0	1,378,241
MIAMI-DADE	778,521	5,643,531	2,868,721	4,538,433	0	0	13,829,206
NORTH FLORIDA	365	180,393	123,844	0	138,599	(82,429)	360,771
OKALOOSA-WALTON	730,707	474,093	427,906	148,259	12,891	132,138	1,925,995
PALM BEACH	485,494	1,232,483	962,942	447,892	493,426	346,109	3,968,346
PASCO-HERNANDO	136,294	412,466	219,723	1,291,056	0	0	2,059,539
PENSACOLA	130,204	1,243,792	830,418	0	0	0	2,204,414
POLK	7,649	515,163	314,530	228,657	0	0	1,066,000
ST. JOHN'S RIVER	187,854	331,653	208,138	738,869	400,092	(69,903)	1,796,702
ST. PETERSBURG	103,417	1,706,682	1,031,389	1,777,634	0	0	4,619,122
SANTA FE	681,539	1,236,933	392,455	161,061	637,943	(163,629)	2,946,303
SEMINOLE	13,884	804,184	925,637	975,469	0	0	2,719,174
SOUTH FLORIDA	168,007	287,972	197,865	75,791	165,372	(99,457)	795,549
TALLAHASSEE	483,847	896,154	982,140	0	0	0	2,362,141
VALENCIA	845,808	1,604,626	640,281	3,242,010	757,901	(69,177)	7,021,450
TOTAL	\$8,090,902	\$29,335,134	\$16,683,246	\$26,840,273	\$7,954,499	(\$631,713)	\$88,272,341

**COMMUNITY COLLEGE PROGRAM FUND
1995-96 LEGISLATIVE BUDGET REQUEST**

ALLOCATION PROCESS - EXAMPLE OF \$50 MILLION APPROPRIATION

COLLEGE	BASIC SUPPORT STATE FUNDS INCREASE REQUESTED	OPERATING COST OF NEW FACILITIES	BASIC SUPPORT MINUS OP. COSTS NEW FACILITIES	EACH COLLEGE PERCENTAGE OF PRECED- ING TOTAL	PRORATION OF REQUEST	FACILITIES PLUS PRO- RATED FUNDS TOTAL
BREVARD	2,216,278	213,824	2,002,454	2.497%	1,046,639	1,260,463
BROWARD	6,164,523	603,355	5,561,168	6.936%	2,906,702	3,510,057
CENTRAL FLORIDA	2,064,436	117,046	1,947,390	2.429%	1,017,858	1,134,904
CHIPOLA	501,090	10,756	490,334	0.612%	256,287	267,043
DAYTONA BEACH	4,676,534	429,396	4,247,138	5.297%	2,219,887	2,649,283
EDISON	2,920,758	390,186	2,530,572	3.156%	1,322,675	1,712,861
FLORIDA CC @ JAX	6,568,587	634,511	5,934,076	7.401%	3,101,613	3,736,124
FLORIDA KEYS	548,062	31,694	516,368	0.644%	269,894	301,588
GULF COAST	1,966,727	75,413	1,891,314	2.359%	988,549	1,063,962
HILLSBOROUGH	4,790,736	599,004	4,191,732	5.228%	2,190,927	2,789,931
INDIAN RIVER	5,677,223	111,607	5,565,616	6.941%	2,909,027	3,020,634
LAKE CITY	660,215	49,232	610,983	0.762%	319,348	368,580
LAKE SUMTER	464,219	5,866	458,353	0.572%	239,571	245,437
MANATEE	1,378,241	65,421	1,312,820	1.637%	686,182	751,603
MIAMI-DADE	13,829,206	778,521	13,050,685	16.276%	6,821,310	7,599,831
NORTH FLORIDA	360,771	365	360,406	0.449%	188,376	188,741
OKALOOSA-WALTON	1,925,995	730,707	1,195,288	1.491%	624,751	1,355,458
PALM BEACH	3,968,346	485,494	3,482,852	4.344%	1,820,411	2,305,905
PASCO-HERNANDO	2,059,539	136,294	1,923,245	2.399%	1,005,239	1,141,533
PENSACOLA	2,204,414	130,204	2,074,210	2.587%	1,084,144	1,214,348
POLK	1,066,000	7,649	1,058,351	1.320%	553,177	560,826
ST. JOHN'S RIVER	1,796,702	187,854	1,608,848	2.007%	840,910	1,028,764
ST. PETERSBURG	4,619,122	103,417	4,515,705	5.632%	2,360,261	2,463,678
SANTA FE	2,946,303	681,539	2,264,764	2.825%	1,183,743	1,865,282
SEMINOLE	2,719,174	13,884	2,705,290	3.374%	1,413,996	1,427,880
SOUTH FLORIDA	795,549	168,007	627,542	0.783%	328,003	496,010
TALLAHASSEE	2,362,141	483,847	1,878,294	2.343%	981,744	1,465,591
VALENCIA	7,021,450	845,808	6,175,642	7.702%	3,227,874	4,073,682
TOTAL	\$88,272,341	8,090,902	\$80,181,439	100.000%	\$41,909,098	\$50,000,000

PRINCIPAL CAUSE OF DISEQUALIZATION IN FLORIDA

FLORIDA COMMUNITY COLLEGES GROWTH IN FTE STUDENTS FROM 1987-88 TO 1992-93

RANKING OF EQUALIZATION NEEDS

COLLEGE	1987-88	1992-93	FTE CHANGE	% CHANGE	GENERAL REVENUE CHANGE IN PERIOD	COLLEGE	FUNDING PER WT. FTE AS A % OF EQUIT ENTITLEMENT
1 ST JOHNS RIVER	1,110	2,007	898	80.9%	33.03%	1 PASCO-HERNANDO	89.82%
2 PASCO-HERNANDO	1,833	3,108	1,275	69.6%	29.21%	2 EDISON	89.99%
3 HILLSBOROUGH	6,562	10,676	4,114	52.7%	12.94%	3 VALENCIA	91.60%
4 VALENCIA	7,293	11,328	4,035	55.3%	12.20%	4 ST JOHNS RIVER	91.71%
5 EDISON	3,104	4,791	1,687	54.3%	10.56%	5 INDIAN RIVER	91.89%
6 INDIAN RIVER	4,959	7,481	2,522	50.9%	9.81%	6 HILLSBOROUGH	93.70%
7 OKALOOSA-WALTON	2,246	3,351	1,104	49.2%	19.90%	7 SOUTH FLORIDA	94.01%
8 FLA CC @ JAX	12,305	18,267	5,963	48.5%	4.95%	8 FLORIDA KEYS	95.00%
9 DAYTONA BEACH	6,709	9,944	3,236	48.2%	-2.32%	9 GULF COAST	95.05%
10 TALLAHASSEE	3,533	5,121	1,588	44.9%	23.72%	10 BROWARD	95.55%
11 CENTRAL FLA	2,406	3,308	901	37.5%	5.21%	11 CENTRAL FLA	96.25%
12 GULF COAST	2,424	3,289	866	35.7%	10.46%	12 ST PETERSBURG	96.53%
13 PALM BEACH	6,306	8,461	2,155	34.2%	8.46%	13 MANATEE	97.00%
14 POLK	2,442	3,187	745	30.5%	2.52%	14 DAYTONA BEACH	97.08%
15 LAKE SUMTER	888	1,150	262	29.5%	2.99%	15 SEMINOLE	97.33%
16 SANTA FE	5,731	7,400	1,669	29.1%	0.12%	16 FLA CC @ JAX	98.01%
17 BROWARD	9,701	12,519	2,818	29.0%	0.42%	17 POLK	98.16%
18 SOUTH FLORIDA	1,926	2,485	559	29.0%	25.37%	18 MIAMI-DADE	98.46%
19 CHIPOLA	1,136	1,461	326	28.7%	9.13%	19 OKALOOSA-WALTON	98.75%
20 LAKE CITY	1,708	2,182	474	27.7%	7.90%	20 PALM BEACH	98.85%
21 BREVARD	7,492	9,518	2,026	27.0%	2.23%	21 LAKE SUMTER	101.43%
22 ST PETERSBURG	8,544	10,797	2,253	26.4%	-4.17%	22 TALLAHASSEE	101.46%
23 MIAMI-DADE	26,096	32,895	6,798	26.1%	-0.72%	23 SANTA FE	102.27%
24 MANATEE	3,632	4,243	611	16.8%	6.32%	24 PENSACOLA	104.03%
25 FLORIDA KEYS	760	879	119	15.7%	6.98%	25 CHIPOLA	105.49%
26 SEMINOLE	5,871	6,657	786	13.4%	5.11%	26 LAKE CITY	110.22%
27 PENSACOLA	7,253	8,099	846	11.7%	-6.40%	27 BREVARD	110.79%
28 NORTH FLORIDA	860	869	9	1.1%	7.85%	28 NORTH FLORIDA	111.23%
TOTAL	144,829	195,472	50,643	35.0%	4.42%		

FLORIDA COMMUNITY COLLEGE SYSTEM

DESCRIPTION OF THE EQUALIZATION PROCESS

FOR 1995-96

- Program mix.
- The size of colleges.
- The cost of living in each college district.

FLORIDA COMMUNITY COLLEGE SYSTEM
DESCRIPTION OF THE EQUALIZATION PROCESS
FOR 1995-96

This study is the result of work initiated by the Funding Committee of the Presidents Council in 1991. This equalization process has been endorsed by both the State Board of Community Colleges and the Presidents Council. Equalization is intended to be a budget request issue for fiscal year 1995-96. This study does not envision a change in the current funding process for community colleges.

Equalization has been defined in the study as equivalent funding revenues per full-time equivalent student. This definition has been calibrated for the following characteristics among colleges:

- (1) The program mix of each college and the corresponding costs of these programs. (For example, nursing programs cost substantially more than adult literacy programs).
- (2) The size of colleges.
- (3) The cost of living in each college district.

Program mix and related costs are adjusted through the use of weighted FTE (full-time equivalent students). Actual costs relationships of programs have been applied to the assigned FTE of each college in 1994-95. Assigned FTE is the basis for legislative funding.

State appropriations in the Community College Program Fund for both general revenue and lottery are added to student fees to determine funding revenues for each college. This funding base is divided by the weighted FTE of each college to determine the funding per weighted FTE. The state average funding per weighted FTE is the benchmark for the 28 colleges. The objective of this study is to bring those colleges which are below the state average up to the state average. Before the amount needed can be accurately determined, two more adjustments must be made.

Research has shown that small colleges have higher fixed costs per student. Therefore, an adjustment of 25% per weighted FTE has been added to the first 1,500 FTE students of the seven historically small colleges.

An annual study, the Florida Price Level Index, is conducted by the Office of the Governor within the 67 counties. This study is a market basket measurement of the cost of living for consumers. This index called the "district cost differential" (DCD) is utilized in the

Florida Community College System
Description of Equalization Process for 1995-96
Page Two

distribution of state appropriations to public schools. The district cost differential for each college service district has been calculated. A college with a district cost differential in excess of the state average (or 1.0) generates additional funding based on the college percentage above the state average.

The process described here calculates an entitlement per college. A comparison is made between a college's 1994-95 funding and its entitlement. Those colleges with a funding level below their computed entitlement are eligible for equalization dollars to make up the difference in funding. The state sum of colleges eligible for equalization is \$26.8 million.

The attached charts display the calculations of this process for each college.

25-Jan-95

**FLORIDA SYSTEM OF COMMUNITY COLLEGES
EQUALIZATION REVIEW BASED ON 1994-95 APPROPRIATIONS**

					EQUALIZATION PROGRAM				
	1994-95	1994-95	1994-95	DISTRICT	(EQUITY	EQUALIZATION	FUNDING AS A	1995-96	
COLLEGE	ASSIGNED	CCPF	FUNDING	COST	TIMES	ENTITLEMENT	% OF	TOTAL	
	WEIGHTED FTE	BASE FUNDS	PER WT. FTE	DIFFERENTIAL	DCD)	PER FTE	ENTITLEMENT	REQUEST	
Brevard	13,391	36,342,708	\$2,714	1.0000	34,007,770	2,540	106.87%	0	
Broward	21,771	55,659,366	2,557	1.0460	57,834,524	2,656	96.24%	2,175,157	
Central Florida	5,764	14,523,335	2,520	1.0000	14,637,303	2,540	99.22%	113,967	
Chipola	2,425	7,623,292	3,144	1.0000	7,110,937	2,932	107.21%	0	
Daytona Beach	15,518	37,289,944	2,403	1.0000	39,409,648	2,540	94.62%	2,119,703	
Edison	8,071	19,164,249	2,375	1.0000	20,496,238	2,540	93.50%	1,331,990	
Fla. CC @ Jax	27,864	69,381,330	2,490	1.0000	70,765,057	2,540	98.04%	1,383,727	
Florida Keys	1,592	5,376,336	3,377	1.1171	5,579,975	3,505	96.35%	203,639	
Gulf Coast	5,778	13,763,109	2,382	1.0000	14,673,459	2,540	93.80%	910,350	
Hillsborough	18,364	44,450,021	2,420	1.0000	46,638,941	2,540	95.31%	2,188,920	
Indian River	12,001	28,093,117	2,341	1.0000	30,478,056	2,540	92.17%	2,384,939	
Lake City	3,625	11,099,413	3,062	1.0000	10,157,728	2,802	109.27%	0	
Lake-Sumter	2,048	6,119,525	2,987	1.0000	6,154,704	3,005	99.43%	35,179	
Manatee	7,728	19,265,613	2,493	1.0004	19,633,184	2,541	98.13%	367,571	
Miami-Dade	55,995	146,613,170	2,618	1.0629	151,151,603	2,699	97.00%	4,538,433	
North Florida	1,331	4,677,826	3,515	1.0000	4,224,890	3,175	110.72%	0	
Okaloosa-Walton	5,677	14,268,735	2,514	1.0000	14,416,994	2,540	98.97%	148,259	
Palm Beach	14,731	38,048,144	2,583	1.0290	38,496,035	2,613	98.84%	447,892	
Pasco-Hernando	5,355	12,308,576	2,299	1.0000	13,599,632	2,540	90.51%	1,251,056	
Pensacola	13,109	35,405,600	2,701	1.0000	33,291,643	2,540	106.35%	0	
Polk	5,670	14,171,460	2,499	1.0000	14,400,117	2,540	98.41%	228,657	
St. Johns River	3,197	8,332,812	2,606	1.0000	9,071,680	2,838	91.86%	738,869	
St. Petersburg	19,223	47,221,473	2,457	1.0037	48,999,107	2,549	96.37%	1,777,634	
Santa Fe	13,045	32,968,257	2,527	1.0000	33,129,318	2,540	99.51%	161,061	
Seminole	10,402	25,440,959	2,446	1.0000	26,416,428	2,540	96.31%	975,469	
South Florida	3,643	10,128,188	2,780	1.0000	10,203,979	2,801	99.26%	75,791	
Tallahassee	8,828	22,997,622	2,605	1.0000	22,418,911	2,540	102.58%	0	
Valencia	19,411	46,055,086	2,373	1.0000	49,297,096	2,540	93.42%	3,242,010	
TOTAL	325,554	\$826,789,266	\$2,540		\$846,694,956			\$26,840,273	

95EQUAL/EC/C